

SECOND AMENDMENT  
TO RESTATEMENT AGREEMENT  
TO FUND  
HELP LAS VEGAS HOUSING CORPORATION II  
HELP @ OWENS PROJECT

This Second Amendment to the Second Amendment and Restatement Agreement to Fund Help Las Vegas Housing Corporation II (HELP @ Owens Project) (herein the "Second Amendment to Restatement Agreement") is entered into this 28<sup>th</sup> day of November, 2006, by and between the City of Las Vegas, a municipal corporation of the State of Nevada, with offices located at City Hall, 400 Stewart, Las Vegas, NV 89101 (hereinafter referred to as the "City") and HELP Las Vegas Housing Corporation II, a non-profit corporation organized under the laws of the State of Nevada, with a mailing address of 500 Pilot Road, Suite A, Las Vegas, NV 89119 (hereinafter referred to as the "Developer").

WHEREAS, the City and Developer entered into the Second Amendment and Restatement Agreement to Fund Help Las Vegas Housing Corporation II (HELP @ Owens Project) dated January 19, 2005 (the "Restatement Agreement"); and

WHEREAS, by a First Amendment entered into on February 2, 2006 ("First Amendment") the parties amended the Restatement Agreement to permit up to \$400,000.00 in HOME/LIHTF Program funds to be used for architectural, design and other soft costs in connection with the development of HELP@Owens II, to be located adjacent to the Project ("Phase II") (the Restatement Agreement, as amended by the First Amendment, shall be hereinafter referred to as the "Agreement"); and

WHEREAS, the parties desire to amend the Agreement to allocate to the Project an additional \$400,000.00 in HOME Program funds; and

WHEREAS, capitalized terms not defined herein shall have the meanings given to them in the Agreement.

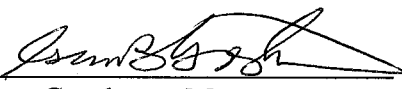
NOW, THEREFORE, for and in consideration of the premises and of the mutual promises and agreements which are hereinafter contained, the parties hereby agree as follows:

1. Any and all references in the Agreement to "Subrecipient" shall be deleted and replaced with the term "Developer".
2. The City shall provide to the Developer up to an additional \$400,000.00 in HOME Program Funds for the development of the Project (the "Additional HOME Funds") for an aggregate total of up to \$1,300,000.00 in HOME Program funds for the development of Phase 1 of the Project.

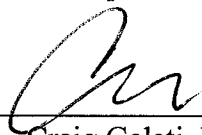
3. The Additional HOME Funds shall be provided subject to and upon the same terms and conditions contained in the Agreement.
4. Amended Exhibit "A" and Amended Exhibit "A-1" are deleted and replaced with Exhibit "A" and Exhibit "A-1" attached hereto.
5. Except as modified above, the Agreement remains in full force and effect.

IN WITNESS WHEREOF, the parties have caused this Second Amendment to Restatement Agreement to be executed by their duly authorized representatives the day and year first above written.


CITY OF LAS VEGAS

By:   
Oscar Goodman, Mayor

HELP LAS VEGAS HOUSING  
CORPORATION II,  
a Nevada nonprofit corporation

By:   
Craig Galati, President

ATTEST:

  
Barbara Jo Ronemus, City Clerk

**Council Action: October 18, 2006**

APPROVED AS TO FORM:


 11/21/06  
Date

EXHIBIT "A"  
DESCRIPTION OF PROJECT

The Project is HELP @ Owens, a multi-phase housing development for persons of low income.

**Phase 1.**

Phase 1, to be known as HELP @ Owens 1, will be located at 1559 North Main, Las Vegas, Nevada. Phase 1 of the Project will be designed as 75 units of affordable housing in two garden-style apartment buildings. The unit configuration includes 60 efficiency units and 15 one-bedroom units. A service building will contain common space that will be used for administration and the provision of support services. All first floor units will be fully accessible for residents with physical disabilities.

HELP Las Vegas Housing Corporation II ("HLVH"), the Project sponsor, has formed a Nevada limited partnership, HELP Las Vegas Housing Associates II, LP ("LP"). The general partner of LP is HELP Owens, Inc., a Nevada for profit corporation wholly owned by HLVH.

The HOME/LIHTF funds provided by the City to HLVH, which will loan the funds (or some much thereof as is required) to LP at the Applicable Federal Rate in effect at the time of the loan. The loan will be secured by a note (Attachment "II") and deed of trust ("Attachment III"). The HOME funds provided to HLVH, shall be used solely to finance HOME-eligible project hard and soft costs per 24 CFR 92.206.

In accordance with 24 CFR 92.300(a)(2), any proceeds generated from HLVH investment of HOME funds into the project may be used by HLVH, if written approval is sought from the City of Las Vegas and given. The proceeds may only be used for other affordable housing activities.

Of the 75 project units, 25 units will be designated as HOME-assisted and will be reserved for households at or below 60% Area Median Income (AMI). The HOME units will be considered floating units and may change over time so long as the assisted units remain comparable to the non-assisted units over the affordability period in term of size, features, and number of bedrooms.

City of Las Vegas will provide \$1,300,000 from the following sources:

<u>Amount</u>	<u>Source of Funds</u>
\$1,300,000	HOME

The Project will be operated as affordable housing for a minimum period of 20 years.

The Project will be located as follows: 1559 N. Main

Assessor Parcel Number(s): 139-27-502-015

In addition to the affordability requirements related to the HOME funds, long-term affordability will be governed by a regulatory agreement with the State of Nevada, Housing Division for the Low Income Housing Tax Credit financing.

**Phase 2.**

Phase 2 will consist of 50 units of rental housing including eight efficiency apartments, 21 one-bedroom units, and 21 two-bedroom units. Special features and amenities of Phase 2 will include equipped exercise and computer rooms, a security system, energy efficient construction and systems, community space, on-site laundry facilities, equipped picnic areas, a separate storage building for use by tenants, and broadband internet access in all units. All units will be affordable to persons earning less than 50% of Area Median Income (AMI) and 26 of the units will be affordable to persons earning less than 30% of AMI. Fifteen of the units, or 30%, will be reserved for households with special needs, including formerly homeless veterans disabled by substance abuse. \$400,000 of the City's funding commitment shall be used for soft costs for Phase 2. This funding will allow the project to proceed with architectural drawings, necessary third party reports, and submission of funding applications pursuant to the following budget:

Architect	\$200,000
Engineering	\$100,000
Market Study	\$15,000
Survey, Environmental, Other 3 <sup>rd</sup> Party Reports	\$50,000
Tax Credit Application/Fees	\$35,000
Total	\$400,000

The total funding commitment for Phase 2 is \$1.3 million, \$900,000 of which will be the subject of a separate grant agreement.

**Exhibit "A-1"**  
**Project Budget**  
**CITY HOME FUNDS**

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# **EXHIBIT "A-1"** **PROJECT BUDGET**

		Exhibit "A-1"	
		Project Budget (continued)	
Permanent Financing			
Bond Premium	\$0		
Credit Report	\$0		
Discount Points	\$0		
Origination Fees	\$0		
Credit Enhancement	\$0		
Cost of Insurance	\$0		
Title and Recording	\$7,267		
Legal Fees	\$0		
Prepaid MIP	\$0		
Other	\$0		
Permanent Financing			
Sub-Total	\$7,267	\$0	
Soft Cost			
Additional TC Fees			
Market Study	\$4,512		
Environmental Study	\$8,450		
Tax Credit Fees	\$2,800		
Compliance Fees	\$52,850		
Rent-up Expense	\$1,675		
Appraisal	\$44,949		
Cost Certification	\$1,576		
Survey	\$7,500		
Other	\$1,250		
Soft-Cost Sub-Total	\$130,862	\$1,250	
		\$69,238	
ITEM	ESTIMATED COST		
Syndication Cost			
Organization	\$20,460		
Bridge Loan	\$0		
Tax Opinion	\$25,000		
PV Adjustment	\$0		
Other	\$0		
Syndication Sub-Total	\$45,460		
Developer Fees			
Overhead	\$883,240		
Profit	included above		
Consultant	\$0		
Other	\$0		
Developer Sub-Total	\$883,240		
Project Reserves			
Lease UP	\$25,000		
Rehabilitation	\$125,000		
ESR's	\$0		
Other*	\$345,887		
Reserves Sub-Total	\$495,887		
Project totals	\$7,766,270	\$1,300,000	\$0